

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF GAS COST RECOVERY)
FILING OF SIGMA GAS CORPORATION) CASE NO. 98-244-H

O R D E R

On October 27, 1998, in Case No. 98-244, the Commission approved certain rates for Sigma Gas Corporation ("Sigma") and provided by tariff for their further adjustment on a quarterly basis in accordance with Sigma's approved gas cost adjustment ("GCA") clause.

On September 1, 2000, Sigma filed its GCA to be effective October 1, 2000 through December 31, 2000.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. In its notice of September 1, 2000 Sigma proposed revised rates designed to pass on to its customers its expected wholesale increase in gas costs. Sigma's proposed EGC is \$4.4301 per Mcf, 18.90 cents per Mcf more than the prior EGC of \$4.2411.
2. Sigma's notice set out no current refund adjustment.
3. Sigma's notice set out a current quarter actual adjustment ("AA") of (3.14) cents per Mcf to return over-recovered gas cost from April, May and June 2000. The total AA of 4.06 cents per Mcf is composed of the current AA and previous quarter AAs, and represents a decrease of .94 cent per Mcf from the prior total AA.

4. Sigma's notice proposed a current quarter balance adjustment ("BA") of .4 cent per Mcf to reconcile a remaining under-recovery. The total BA of 1.4 cent per Mcf represents an increase of .4 cent per Mcf from the prior total BA.

5. Sigma's gas cost recovery rate is \$4.4847 per Mcf, 18.36 cents per Mcf more than the previously authorized rate of \$4.3011 per Mcf.

6. Sigma's adjustment in rates contained in the Appendix to this Order is fair, just, and reasonable, in the public interest, and should be approved effective with bills rendered on and after October 1, 2000.

IT IS THEREFORE ORDERED that:

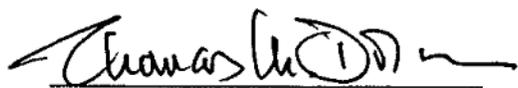
1. The rates in the Appendix, attached hereto and incorporated herein, are fair, just, and reasonable, and are authorized to be effective with bills rendered on and after October 1, 2000.

2. Within 30 days of the date of this Order, Sigma shall file with this Commission its revised tariffs setting out the rates approved herein.

Done at Frankfort, Kentucky, this 12th day of September, 2000.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NOS. 98-244-H DATED SEPTEMBER 12, 2000

The following rates and charges are prescribed for the customers in the area served by Sigma Gas Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

	<u>Base Rate</u>	<u>Gas Cost Recovery</u>	<u>Total</u>
First Mcf (Minimum Bill)	\$6.25	\$4.4847	\$10.7347
All Over 1st Mcf	\$4.5522	\$4.4847	\$ 9.0369